(b) whether Government is utilizing them as securities to raise funds;

(c) if so, the details thereof including the rate of return from each securities;

(d) whether it is a fact that Government held some of the securities issued by the U.S. Treasury; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The data on foreign exchange reserves in the last three years is given below:

Table: Foreign Exchange Reserves

(US $ million)

Period ended	Foreign Currency Assets	Gold	SDRs	Reserve Tranche Position with the IMF	Total Reserves
31st March 2006	145,108	5,755	3	756	151,622
30th March 2007	191,924	6,784	2	469	199,179
31st March 2008	299,230	10,039	18	436	309,723

(b) No, Sir.

(c) Does not arise.

(d) and (e) India's entire foreign exchange reserves are invested by the Reserve Bank of India in multi-currency, multi-market portfolios including securities issued by the US Treasury. The main objectives of investment of the foreign exchange reserves are safety and liquidity. The rate of earnings on foreign exchange reserves (after accounting for depreciation) was 4.6 per cent in 2006-07.

Pay panel's recommendations for pensioners

3034. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Sixth Pay Commission has submitted its report to Government;

(b) if so, the details of recommendations made by the Pay Panel for retired pensioners;

(c) whether existing pensioners will not be benefited as compared to serving Government officers; and

(d) if so, the steps being taken to increase the pension of present pensioners keeping in view of high price rise and other factors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) Sixth Central Pay Commission has extended to existing pensioners/family pensioners, the fitment formula recommended for serving employees. Higher rate of pension has been recommended for retirees/family pensioners on attaining the age of 80,85,90,95 and 100 years.

(c) Existing pensioners have been allowed fitment benefit which is consistent with the fitment benefit being allowed in case of the existing employees.

(d) Does not arise in view of the above.

Closure of Banks in Rural Areas

3035. SHRIMATI SHOBHANA BHARTIA:
SHRI HARISH RAWAT:

Will the Minister of FINANCE be pleased to state:

(a) whether a large number of rural branches of scheduled commercial banks have been closed down in the country during the past few years;

(b) if so, the details thereof;

(c) whether the closure of bank branches in rural areas have affected the growth of rural areas; and

(d) if so, the reasons for closure of bank branches in rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) As per data furnished by RBI, the number of 'Rural' branches of Scheduled Commercial Banks have reduced from 32,244 (as on 30.6.2003) to 30,628 (as on 30.6.2007). At the same time, the 'Semi-Urban' branches have increased from 14,904 to 16,296, 'Urban' branches from 10,733 to 12,914 and 'Metropolitan' branches from 8,744 to 11,913.

The reduction in the number of rural branches is not necessarily on account of closure of rural branches. Based on population category, the banks are classified in four group i.e. 'Rural' (upto 9999 population), 'Semi-Urban' (from 10,000 to 99,999 population), 'Urban' (from 1 lakh to 9,99,999 population) and 'Metropolitan' (10 lakh and above population). Earlier the bank branches were classified based on the 1991 Census and these have now been reclassified by the RBI on the basis of the 2001 Census (made effective 2006 onwards). Therefore, the branches, which were earlier classified as 'Rural' as per 1991 Census data, may have moved into a higher population category on account of increase in population of the respective centres resulting in the re-classification of the branch into 'Semi-Urban'.

Besides, apart from re-classification due to increase in population of the particular centre, there are also instances where certain centres, which were earlier classified as 'Rural', were brought into the jurisdiction of the adjoining Municipality/Municipal Corporation and thus classified as 'Urban'/'Metropolitan' depending on the population of the Municipality/Municipal Corporation.